

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

August 18, 2004

IN RE:

**PETITION FOR APPROVAL OF THE STANDALONE
INTERCONNECTION AGREEMENT BETWEEN
BELLSOUTH TELECOMMUNICATIONS, INC. AND
XO TENNESSEE, INC.**

**DOCKET NO.
04-00119**

**ORDER APPROVING THE STANDALONE
INTERIM INTERCONNECTION AGREEMENT**

This matter came before Chairman Deborah Taylor Tate, Director Pat Miller and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on June 21, 2004, to consider, pursuant to 47 U.S.C. § 252, the Petition for approval of the standalone interim interconnection agreement¹ negotiated between BellSouth Telecommunications, Inc. ("BellSouth") and XO Tennessee, Inc. ("XO"), filed on April 20, 2004

Based upon a review of the agreement, the record in this matter, and the standards for review set forth in 47 U.S.C. § 252, the Directors unanimously granted the Petition and made the following findings and conclusions

- 1) The Authority has jurisdiction over public utilities pursuant to Tenn. Code Ann. § 65-4-104.

¹ Pursuant to the Telecommunications Act of 1996, BellSouth and XO entered into negotiations to negotiate an interconnection agreement to replace the existing interconnection agreement, which expired on December 31, 2003. BellSouth and XO will continue operating under the expired interconnection agreement by executing this interim agreement. The new interconnection agreement is the subject of an arbitration that is presently before the Authority. See *In Re Petition of XO Tennessee, Inc. for Arbitration with BellSouth Telecommunications, Inc.*, Docket No. 03-00630, the standalone interconnection agreement, which is the subject of this docket, replaces Section 10, Attachment 2 and amends Attachment 12 of the expired interconnection agreement. It also provides for new rates, terms and conditions for Unbundled Network Elements Port Loop Combinations until such time as the parties execute the new interconnection agreement.

2) The agreement is in the public interest as it provides consumers with alternative sources of telecommunications services within the service area of BellSouth Telecommunications, Inc.

3) The agreement is not discriminatory to telecommunications service providers that are not parties thereto.

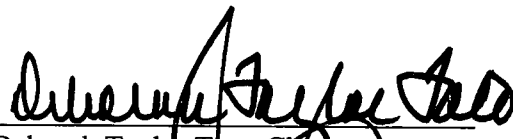
4) 47 U.S.C. § 252(e)(2)(A) provides that a state commission may reject a negotiated agreement only if it “discriminates against a telecommunications carrier not a party to the agreement” or if the implementation of the agreement “is not consistent with the public interest, convenience or necessity.” Unlike arbitrated agreements, a state commission may not reject a negotiated agreement on the grounds that the agreement fails to meet the requirements of 47 U.S.C. §§ 251 or 252(d).² Thus, although the Authority finds that neither ground for rejection of a negotiated agreement exists, this finding should not be construed to mean that the agreement is consistent with §§ 251 or 252(d) or, for that matter, previous Authority decisions.

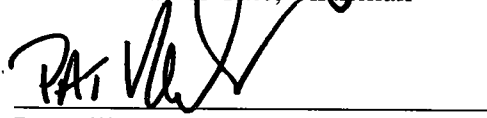
5) No person or entity has sought to intervene in this docket.

6) The agreement is reviewable by the Authority pursuant to 47 U.S.C. § 252 and Tenn. Code Ann. § 65-4-104.

IT IS THEREFORE ORDERED THAT:

The Petition is granted, and the standalone interim interconnection agreement negotiated between BellSouth Telecommunications, Inc. and XO Tennessee, Inc. is approved and is subject to the review of the Authority as provided herein


Deborah Taylor Tate, Chairman


Pat Miller, Director


Sara Kyle, Director

² See 47 U.S.C. § 252(e)(2)(B)